

1
2
3
4
5
6 UNITED STATES DISTRICT COURT
7 DISTRICT OF NEVADA

8 * * *

9 RHKIDS, LLC.,

Case No. 2:17-cv-01907-MMD-PAL

10 Plaintiff,

ORDER

11 v.

12 CASTLE & COOKE MORTGAGE
13 SERVICES, LLC, ELKHORN COMMUNITY
14 ASSOCIATION; and JPMORGAN CHASE
15 BANK, N.A.,

Defendants.

16 On February 9, 2018, the Court issued an order requiring Defendant JPMorgan
17 Chase Bank, N.A. ("Chase") to supplement its Petition for Removal ("Petition") and
18 statement regarding removal in order to provide this Court with the states of citizenship
19 of Defendant Castle & Cooke Mortgage Services, LLC ("Castle" or "the LLC"). (ECF No.
20 22.) On February 14, 2018, Chase filed a motion requesting a period of 60 days to conduct
21 jurisdictional discovery ("Motion"). (ECF No. 23.) The Court denies the Motion for two
22 reasons.

23 First, Chase admits that the managing member of the LLC appears to be a resident
24 of California. (ECF No. 23 at 4; see also ECF No. 23-3 at 3.) Because the Petition states
25 that RHKids, LLC ("RHKids") is a citizen of California (ECF No. 1 at ¶ 4), this admission
26 on its own destroys complete diversity of the parties and, therefore, diversity jurisdiction.
27 See 28 U.S.C. § 1332(a)(1). Second, Chase contends that it has diligently sought
28 information regarding the states of citizenship of members of the LLC in response to the

1 Court's February 9, 2018, order. (ECF No. 23 at 4.) However, it was Chase's burden at
2 the time of removal to demonstrate that this Court has subject-matter jurisdiction over the
3 action, and the action was removed on July 12, 2017.¹ In light of this unreasonable delay,
4 the Court declines to exercise its discretion to grant Chase's request for jurisdictional
5 discovery. See *Sopcak v. N. Mountain Helicopter Serv.*, 52 F.3d 817, 819 (9th Cir. 1995)
6 (finding that district court did not abuse its discretion in declining to give plaintiffs
7 additional time to conduct discovery when they had failed to conduct discovery during the
8 nine-month period between the filing of the complaint and the district court's dismissal
9 order); see also *Berardinelli v. Castle & Cooke Inc.*, 587 F.2d 37, 39 (9th Cir. 1978)
10 (finding that dismissal was proper where plaintiff did not avail himself of the opportunity
11 to conduct jurisdictional discovery during the seventh months between the filing of the
12 complaint and the grant of the motion to dismiss).

13 Because the parties are not diverse, the Court lacks diversity jurisdiction.
14 Accordingly, the Court *sua sponte* remands this action to state court. See *United States*
15 *v. Cotton*, 535 U.S. 625, 630 (2002) (finding that when a requirement goes to subject-
16 matter jurisdiction, courts must consider *sua sponte* issues that the parties have not
17 presented).

18 It is therefore ordered that Chase's motion to conduct jurisdictional discovery (ECF
19 No. 23) is denied.

20 It is further ordered that RHKids, LLC's Motion to Remand Case to State Court
21 (ECF No. 10) is denied as moot.

22 ///

23

24 ¹Moreover, Chase's contention that it was hindered from conducting discovery into
25 this matter in light of the magistrate judge's order (ECF No. 19) staying discovery in
26 September 2017 is unpersuasive, as Chase could have requested limited jurisdictional
27 discovery before this time or at any point thereafter. (See ECF No. 23 at 3.) Chase also
28 insists that it has been diligent in seeking the information requested in the February 9,
2018, Order since receiving the Order. (*Id.* at 4.) But this contention misses the point.
Chase has not been diligent in seeking the information since removal, particularly given
that removal was initiated without any knowledge of the citizenship of one of the then-
served defendants—Castle.

1 It is further ordered that, because this Court lacks subject-matter jurisdiction, the
2 case be remanded to state court.

3 DATED THIS 15th day of February 2018.



MIRANDA M. DU
UNITED STATES DISTRICT JUDGE